United Nations DP/FPA/2004/4

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
10 November 2003

Original: English

First regular session 2004
23–30 January 2004, New York
Item 11 of the provisional agenda
UNFPA

UNITED NATIONS POPULATION FUND

THE MULTI-YEAR FUNDING FRAMEWORK, 2004–2007

Report of the Executive Director

Summary

This report presents the Fund's second multi-year funding framework (MYFF), covering the period 2004–2007. It provides background information on the MYFF as the Fund's medium-term strategic plan, lessons learned in implementing the first MYFF, and the process used to develop the second MYFF. It provides a contextual analysis of the external and internal environment in which the Fund must implement the MYFF. The report presents the strategic results framework (SRF) that outlines the MYFF development goals, outcomes, indicators and strategies, and provides a rationale for their selection. The report also presents the integrated resources framework (IRF) that sets out resource requirements for 2004–2007. The report outlines how the Fund will monitor its progress in managing for results, and how it will report on results. Finally, the report suggests elements for a decision by the Executive Board. Annex A provides the MYFF strategic results framework in tabular form. Annex B contains a matrix which delineates the goals and indicators and their links to targets and benchmarks of the International Conference on Population and Development (ICPD), ICPD+5, other international conferences, and the Millennium Development Goals (MDGs).

03-61222 (E) 171103 171103

CONTENTS

Page

I. INTRODUCTION 3

A. Background 3
B. Process 3

II. LESSONS LEARNED FROM IMPLEMENTING THE MYFF 4

III. CONTEXTUAL ANALYSIS 5

A. External environment 5
B. UNFPA strategic direction 6

IV. MYFF 2004–2007 STRATEGIC RESULTS FRAMEWORK 8

A. Introduction 8
B. Reproductive health 9
C. Population and development 12
D. Gender 14
E. Strategies 15

V. INTEGRATED RESOURCES FRAMEWORK 18

VI. MANAGING FOR RESULTS 20

VII. REPORTING ON RESULTS 24

VIII. ELEMENTS FOR A DECISION 25

Annex A 26

Annex B 27

I. INTRODUCTION

A. Background

1. The multi-year funding framework (MYFF) is the UNFPA medium-term strategic plan and aims to strengthen the Fund's contribution to the implementation of the Programme of Action of the International Conference on Population and Development (ICPD) in the context of poverty reduction. The MYFF seeks to enhance organizational effectiveness in achieving development results, an important factor in increasing partners' confidence and mobilizing resources. This document presents the Fund's second MYFF, covering the period 2004–2007. The Fund presented its first MYFF (DP/FPA/2000/6) in April 2000, in response to the Executive Board's request to develop a multi-year funding framework with the overall objective of increasing core resources. At its annual session in June 2003, the Executive Board welcomed the progress outlined in the MYFF cumulative report 2000–2003 (DP/FPA/2003/4 (Part II)) and in decision 2003/17 approved the strategic considerations as the basis for the preparation of the MYFF 2004–2007. The Board urged UNFPA to ensure that the second MYFF becomes the main policy document of the Fund, as well as its strategic resource and management tool.

2. The MYFF comprises a strategic results framework (SRF) and an integrated resources framework (IRF). The SRF specifies clearly defined organizational results and indicators to monitor progress towards these results, and strategies to achieve them. The IRF estimates the resource requirements for the MYFF period. The MYFF also outlines UNFPA plans to increase and monitor organizational effectiveness.

B. Process

3. The MYFF 2004–2007 is based on the strategic direction that came out of the Fund's transition process. It reflects country priorities by building on the expected results of ongoing country programmes that overlap with the new MFFF cycle. The design of the MYFF is also correlated with the development of the UNFPA intercountry programme, 2004–2007. The MYFF has been developed in close coordination with the biennial support budget (BSB) for 2004–2005, approved by the Executive Board in September 2003. The BSB underpins the second MYFF, reflects its priorities, and fully aligns resource requirements with the integrated resources framework.

4. In designing the MYFF, UNFPA drew upon input from its staff in the Country Technical Services Teams (CSTs), country offices, and headquarters, to ensure both full ownership of the MYFF throughout the Fund, and the highest quality product. An ad hoc working group collaborated around the design of the SRF, ensuring that proposed results, indicators and strategies relate closely to the work of the Fund, accurately reflect the strategic direction and regional and country priorities, build on lessons learned, including from the ICPD 10-year review, and provide a useful tool for strategic planning and management. Consultations were carried out with senior management, other United Nations agencies, and outside technical experts and institutions. In refining the SRF design, UNFPA benefited greatly from a series of informal consultations with the Executive Board.

II. LESSONS LEARNED FROM IMPLEMENTING THE MYFF 2000–2003

5. The experience of implementing the MYFF 2000–2003 has provided valuable lessons that have fed back into the design of the second MYFF. These lessons are drawn from country office reports, thematic evaluations, in-depth reviews of three of the four strategies over the MYFF period, an internal review of the Fund's results-based management policy, and the strategic planning exercise that determined the Fund's strategic direction.

6. A major challenge has been to ensure that the MYFF remains relevant in diverse programming contexts and in a changing external environment. It must balance a clear strategic direction at an organizational level with the need for country offices to be responsive to national priorities and to the local development context. The MYFF 2000–2003 set organizational results at the goal and output level. While the six MYFF outputs accurately reflected the most common areas of the Fund's activities, they did not capture the full range of programme outputs. The stress on UNFPA "deliverables" also did not reflect the new focus on strengthening national and global partnerships towards shared outcomes and goals. This has led to the proposal in the second MYFF to set results at the goal and outcome levels.

7. The new focus on results during the MYFF period encouraged a more strategic approach to programme planning and implementation. This included examining the relevance – *are we doing the right things*; effectiveness – *are we doing them right*; and impact – *are we making a difference* – of the Fund's programming. As a result, UNFPA has revised or initiated new programming approaches in adolescent reproductive health; HIV/AIDS prevention; maternal health; reproductive health commodity security; and gender-based violence. The first MYFF identified four major programming strategies, and lessons learned from implementing them (documented in DP/FPA/2003/4 (Part II)) led to some revisions in the second MYFF.

8. Implementing the MYFF has confirmed its key role as a strategic planning and management tool for increasing organizational effectiveness. Its introduction was accompanied by a major effort to institutionalize results-based management throughout the Fund. This included the development and operationalization of results-oriented planning tools and guidelines, staff orientation and training, and more systematic monitoring and results-based reporting. In some cases, it took time to establish baselines for indicators and to provide the data necessary to demonstrate change. The MYFF did, however, produce a marked improvement in data collection, analysis and reporting, as well as the gradual emergence of a monitoring culture within the Fund. The MYFF has also helped to improve programme delivery at the country level, through encouraging a more focused response to specific population trends and issues and building national capacity in results-based planning and monitoring. This investment should benefit not only UNFPA-supported programmes but also broader development efforts.

9. Mainstreaming results-based management takes time. In the second MYFF cycle, UNFPA will build its capacity further for evidence-based programming, with strategic planning based on sound problem and environmental analyses; establishing baselines and reliable data sources for systematic monitoring; investing more in evaluation and the use of evaluation findings; and integrating lessons learned into an iterative strategic planning cycle. Additionally,

the Fund will strengthen decentralization through a system of checks and balances to ensure quality control and full accountability for results.

10. UNFPA policy on results-based management provided useful guidance in the development of a results-oriented management culture. It is now necessary to develop a managing-for-results framework to establish clear medium-term management priorities and a framework for annual organizational priorities, office management plans, and individual performance plans.

11. The principal objective of the first MYFF was to increase core resources and to provide a more sustainable funding base through an increase in multi-year pledges. While UNFPA succeeded in showing progress towards the MYFF goals, this did not result in an increase in core resources, and the number of multi-year pledges is still limited. Other resources did increase substantially, and the challenge now is to ensure that these resources are fully aligned towards reaching MYFF and ICPD goals and responding to national priorities.

III. CONTEXTUAL ANALYSIS

A. External environment

12. During the first MYFF period 2000–2003, the external environment evolved rapidly, with a renewed commitment from international actors to identify new approaches to development assistance in order to effectively alleviate poverty and respond to emerging challenges. There has been a groundswell of support for UNFPA, its mandate and its achievements, despite efforts by some to reopen the debate on the agreed text of the ICPD Programme of Action, as well as the consensus reached in 1994 in Cairo by 179 countries.

13. The Millennium Development Goals (MDGs) provide a framework and compass for orienting international development efforts, and innovative partnerships among development partners, government and civil society organizations are playing an ever-more prominent role. Previous project-based approaches are being replaced by broader policy and programme designs that emphasize systemic change and national outcomes. Sector-wide approaches (SWAps), sector reforms, poverty reduction strategies (PRS), the United Nations Development Assistance Framework (UNDAF) and the Common Humanitarian Action Plan (CHAP) are replacing individual project documents as planning and programming tools. The establishment of global, time-bound targets has drawn attention to the issue of data quality, availability and reliability, and the need for development partners to invest jointly in this area, including strengthening the gender database, if there is to be any meaningful tracking of progress.

14. Humanitarian emergencies continued to pose challenges over the last decade, a trend expected to continue into the new MYFF period. In addition to natural disasters and an increased number of internal and external conflicts, HIV/AIDS has become a major humanitarian crisis.

15. The global response to disease has grown, including public-private partnerships, such as The Global Fund to Fight AIDS, Tuberculosis and Malaria. It is critical that global funds bring increased funding from new sources to meet the new needs, and do not lead to a decrease in assistance for reproductive health and rights. The International Conference on Financing for Development urged developed countries to make substantial increases in official development assistance (ODA) and other resources that are necessary to achieve internationally agreed development goals. It also underlined the importance of country-led partnerships, with United Nations agencies as key players, reinforcing national efforts to build capacity, including economic systems based on justice, equity, democracy, participation, transparency and inclusion.

16. The simplification and harmonization process currently under way in the United Nations system is beginning to change the way United Nations agencies function, introducing joint programming, reducing transaction costs, and setting the basis for a more coherent response to country priorities. The next triennial comprehensive policy review (TCPR) scheduled for 2004 will allow the General Assembly to provide guidance to the United Nations system to improve its work in development cooperation, including its integration with national efforts.

17. The promotion and protection of rights is a powerful instrument to address inequality and inequity, and the development and implementation of a plan to strengthen human rights-related action at the country level is now a priority for all United Nations agencies.

18. The year 2004 will mark the beginning of the second decade of ICPD, and policies and programmes must build on the experience of the past ten years and the lessons learned through the ICPD+5 and the ICPD 10-year review. Preliminary findings from field inquiries in 151 countries indicate that HIV/AIDS, adolescent reproductive health, gender equality and women's empowerment are the top priorities in ICPD implementation, followed by the need for greater access to reproductive health, including family planning. Priority population and development issues are population ageing, poverty, migration, and data quality.

B. UNFPA strategic direction

19. Internally, the Fund's transition process towards making UNFPA a more effective and efficient organization will have a significant and positive long-term impact on the way the Fund functions. These changes will certainly begin to have an effect in the 2004–2007 MYFF period, as new human resources, learning and training, and knowledge-sharing strategies are rolled out, and improved accountability systems are set in place. All of these will contribute towards making the Fund a more efficient and effective organization in implementing the ICPD Programme of Action.

20. The extensive strategic planning exercise that was part of the transition process defined a strategic direction to better position the Fund as an effective partner in rights-based development and poverty reduction efforts, and more specifically in implementing the ICPD Programme of Action. This staff-led situation analysis included a systematic review of the programming environment; examination of emerging global trends and issues; an external stakeholder analysis of the Fund's strengths and weaknesses; extensive internal consultations; and a critical analysis

of organizational processes and practices related to strategic thinking and planning. The exercise provided recommendations for moving the Fund towards becoming a more effective and relevant organization in implementing the ICPD agenda and achieving the MDGs.

21. The situation analysis confirmed that the Fund's mandate continues to be a critical component of development work, and recognized the Fund's leadership role in these efforts. It also recommended a number of important changes in strategy and operations. UNFPA performance is increasingly measured against the Fund's overall contribution to the achievement of development goals, notably those set out in the ICPD Programme of Action, the ICPD+5 key actions, and more recently, the MDGs. To position itself to make the largest possible contribution to global efforts that address gender, reproductive health and rights, and population in the context of poverty reduction, UNFPA must articulate its *potential* contribution and demonstrate its *actual* contribution to shared results in ways that are both clear within the Fund and valued by its partners.

22. The first MYFF period witnessed renewed commitment to strengthening strategic and operational alliances at global, national and local levels, as the only way to reach the MDGs and the international conference goals. The second MYFF period will see this commitment mature into functional partnerships, and see lessons learned being fed back into strengthening these new initiatives. UNFPA can improve its contribution to development goals by systematically adopting a strategic and alliance-building approach to programming, and by tying its support for programmes more closely to policy development.

23. As poverty reduction strategy papers (PRSPs), SWAps and health sector reform continue to expand, UNFPA will have to assume a more proactive role in ensuring that ICPD issues and principles are on the development agenda. The Fund should assume a more active leadership role in guiding the use of the larger resources of national governments and other development partners towards the promotion of the ICPD agenda within the context of a rights-based approach, while ensuring that this is linked closely to poverty reduction strategies and the MDGs. UNFPA should also provide support to strengthening civil society participation in these efforts.

24. To carry out the strategic direction, UNFPA will have to build up its credibility, by becoming more effective in inter-agency policy dialogue and programming. It will have to better define its comparative advantages, improve its human resource base and technical capacity, strengthen skills in policy dialogue, and build a strong evidence base of concrete models and blueprints, replicable experiences, good practices, and lessons learned. To make a more coherent contribution, UNFPA will also have to operationalize strategic thinking; develop greater synergies among programming areas; strengthen its technical knowledge and expertise; and ensure that human resource management takes into account the new competencies required for implementing the strategic direction.

IV. MYFF 2004–2007 STRATEGIC RESULTS FRAMEWORK

A. Introduction

25. The SRF (see annex A) is the key organizational framework for directing the Fun work towards the achievement of ICPD goals and the MDGs. It is designed to reflect the Fun new strategic direction, while building on what is already in place. It aims to be simp straightforward and technically credible, and emphasizes positive development. Specifically, SRF defines what UNFPA expects to contribute in terms of development results; how progr will be measured; and the strategies to be used to attain results.

26. The SRF sets out organizational results at goal and outcome[1] levels, both levels of resu to which the Fund contributes together with others. There are three goals, one each in the ar of reproductive health, population and development, and gender equality and wome empowerment, and a set of six outcomes to which UNFPA programmes will contribute throu their outputs. This will provide a clearer focus for the Fund's efforts at an organizational lev while providing flexibility at country and intercountry levels to identify the most appropri outputs that will contribute to these outcomes.

27. The MYFF goals and outcomes are interlinked and mutually supportive. Progress ma in each will have a positive synergistic impact on the attainment of results in the other areas, a in contributing to poverty eradication and an improved quality of life.

> **Population issues are at the heart of these challenges. The Millennium Developme Goals, particularly the eradication of extreme poverty and hunger, cannot be achieved questions of population and reproductive health are not squarely addressed. And th means stronger efforts to promote women's rights, and greater investment in educati and health, including family planning.**
>
> **–Secretary-General Kofi Annan, Message to the Fifth Asian and Pacific Population Conferen Bangkok, Thailand, 16 December 2002**

28. A defined set of indicators will be used to measure progress. At the goal level, and some outcomes, indicators draw on established international and national sources and will monitored within the context of established global targets (see annex B). A limited number the outcome-level indicators, including qualitative indicators that seek to demonstrate progress important emerging areas, will require a special investment in data collection and analysis.

1 A goal is "the higher order objective to which a development intervention is intended to contribute." (UNDG) An outcome is intended or achieved short-term and medium-term effects of an intervention's outputs, usually requiring the collective efforts of part Outcomes represent changes in development conditions that occur between the completion of outputs and the achievement of imp (UNDG) An indicator is a "quantitative or qualitative variable that allows the verification of changes produced by a develop intervention relative to what was planned." (UNDG) An output is "the products and services which result from the completio activities within a development intervention." (UNDG)

29. The SRF adopts a rights-based approach in all programming areas that is reflected in the emphasis on strengthening knowledge and demand, promoting individual decision-making, advancing civil society participation, and removing barriers to equity and equality. Certain priority issues are mainstreamed throughout the framework, including prevention of HIV/AIDS; adolescent reproductive health; gender equity and equality. Equity dimensions will be monitored through the collection and reporting of data that are age-, sex-, income-, rural/urban-disaggregated.

30. The four strategies for the 2004–2007 MYFF converge around developing national capacity and reflect the Fund's strategic direction through an increasing emphasis on evidence-based advocacy and policy dialogue; more strategic partnerships; building and using a knowledge base; and developing systems for improving performance.

B. Reproductive health

Goal: All couples and individuals enjoy good reproductive health, including family planning and sexual health, throughout life

31. The reproductive health goal remains unchanged from the first MYFF and UNFPA will continue to invest the majority of its resources in this area. Although the MDGs do not include a goal for comprehensive reproductive health, it is essential for improving maternal health (MDG 5) and for combating HIV/AIDS (MDG 6) and reducing child mortality (MDG 4). Overall poverty reduction cannot be achieved without women, men and youth satisfactorily meeting their sexual and reproductive health needs. Increasingly, poor reproductive health, including sexual health, is seen as a dimension of poverty, with individuals caught in a cycle of ill health and income poverty.

32. To best contribute to existing and emerging reproductive health challenges, UNFPA will focus on preventing HIV/AIDS, reducing the unmet need for family planning, improving maternal health, and promoting adolescent reproductive health. The Fund has worked hard to find its most relevant niches and effective programming strategies, as outlined in paragraph 34. At the same time, new challenges have emerged, with increasing numbers of women and men of reproductive age, including the largest ever cohort of adolescents, and the devastating impact of HIV/AIDS, especially on women and girls.

33. To advance the ICPD agenda, the Fund must continue to forge a common understanding of reproductive health and rights, and promote the application of these concepts within different cultural contexts. The Fund will assume a stronger leadership role, guided by a rights-based approach and a holistic reproductive health vision, and take full advantage of the new opportunities to strengthen partnerships that integrate reproductive health and gender concerns into global and national development frameworks. The Fund will move beyond project support for services to a more proactive role in national policy development, using this position to strengthen equity in access and demand for reproductive health and consideration of critical issues in population and development and poverty. The ultimate results of UNFPA support to, for example, service delivery, will have to be measured by its contribution to overall availability,

especially for the poor, and scaling up its role in service provision. Instead of aspiring improve the reproductive health and rights of the most disadvantaged groups through inherent limited and time-bound project funding, UNFPA will place more emphasis on assembling broader base of resources for the same outcomes.

34. Achieving reproductive health and rights is not possible without addressing t underlying social values and cultural practices that can form barriers to equity and equalit including gender discrimination. UNFPA support will seek to enhance women's control reproductive decisions, including their access to quality services and female-controlled method and to promote male support, participation and responsibility. UNFPA will give priority adolescents and youth as a group where prevention of HIV/AIDS and early pregnancy will ha the most long-term and cost-effective impact. A second generation of adolescent programmi recognizes the diversity of this group and their sociocultural environments. Support will reflect more comprehensive, multicultural approach and address life and livelihood skills, human right gender issues and youth participation. UNFPA will champion preventive interventions reproductive tract infections (RTIs) and HIV/AIDS, with a focus on preventing HIV infection young people and in pregnant women, and on strengthening condom programming. The Fu will continue to work for the reduction of maternal morbidity and mortality through a thre pronged programming strategy that provides support to family planning to avoid unintended a unwanted pregnancies; skilled attendance at birth for all women; and emergency obstetric care case of complications. Refugee and displaced women also require special attention with rega to their reproductive and sexual health, and UNFPA will work with agencies operating on t ground to ensure integration of reproductive health, including sexual health, and rights into reli operations and emergency preparedness programmes.

35. Goal indicators. The MYFF **goal level indicators** capture the comprehensive nature reproductive health and the priority investments by the Fund. The **maternal mortality ratio** a **HIV prevalence among 15-24 year old pregnant women** indicators reflect the Fund commitment to reducing pregnancy-related morbidity and mortality and the devastating impa of HIV/AIDS, with young women carrying a disproportionately high share of the burden. T prioritization of adolescent health and development is reflected in two goal level indicators, HIV prevalence and the **adolescent fertility rate**. The **under-five mortality rate**, also an ICP and MDG benchmark indicator, reflects both infant mortality (closely related to inadequa health systems, birth practices, and maternal death) and death from one to five years that reflec the socio-economic environment and the effects of gender bias. The reduction of **unmet nee for family planning**, a benchmark in ICPD+5 but not in the MDGs, relates to UNFPA work reproductive health commodity security, as well as support for women's reproductive choice.

36. In all of these priority areas there are considerable disparities, not only among countri and regions, but also between rich and poor people. Studies of wealth differentials a reproductive health have shown that those deepest in poverty are the least likely to enjoy skille attendance at birth, family planning, and trained antenatal care. This is also reflected reproductive health outcomes with the poorest groups having the highest levels of fertilit including adolescent fertility, and infant and child mortality. An increase in public expenditu will not by itself improve health outcomes, unless it reaches the poorest. Commodities and fun

need to reach the front line, service provision nationwide must improve, and clients' knowledge and power must be increased to strengthen the demand side. A successful strategy must take into account three principal agents in determining health outcomes: policymakers, service providers, and the community of actual or potential clients.

Reproductive health outcomes and indicators

37. The three **outcomes** capture the areas where UNFPA expects to contribute to the reproductive health goal, in terms of an enabling policy environment; increased access to reproductive health services; and a strengthened demand for reproductive health. These result areas relate closely to the pathways to health outcomes that provide a framework for poverty reduction strategies at country level, and encourage development actors to work simultaneously at different levels to address the causes of poverty.

38. **Outcome (i) a policy environment that promotes reproductive health and rights.** The emergence of global and national partnership frameworks provides excellent opportunities for advancing the ICPD agenda, and for encouraging attention to gender and reproductive health issues in poverty diagnosis and analysis, planning, monitoring and evaluation. UNFPA will measure the success of its contribution by the extent to which **reproductive health and gender issues are incorporated into poverty reduction strategies, SWAps and MDG reporting.** The last is critical to ensure the continued visibility of reproductive health in MDG monitoring. UNFPA will also provide support to legislative and policy changes that promote adolescent and youth reproductive health and development, including **national or subnational policies in place to increase the access of youth to quality reproductive health information and services** and **national and subnational laws and policies in place to delay the age at marriage**, given the reproductive health risks of early pregnancy and sexually transmitted infections (STIs). National commitment to reproductive commodity security is measured through the **proportion of health budget allocated to contraceptives,** crucial to long-term availability and sustainability of services and commodities.

39. **Outcome (ii) access to comprehensive reproductive health services is increased** through improved systems and services. Indicators for this outcome capture essential dimensions of a comprehensive reproductive health approach; improved maternal health, STI/HIV/AIDS prevention, and access to family planning. The **proportion of births attended by skilled health personnel** monitors progress in reducing maternal mortality and morbidity, while **caesarean sections as a proportion of all births** (within the parameters of more than 5 per cent and less than 15 per cent) provides a proxy for access to and utilization of emergency obstetric care. STI/HIV/AIDS prevention, through condom programming and prevention among pregnant women is reflected in two UNGASS[2] indicators, **condom use at last high-risk sex** among 15-24 year-olds, and **proportion of clients with STIs who are appropriately diagnosed, treated and counselled**. The **contraceptive prevalence rate** measures use of contraception, with a focus on modern methods.

[2] Nineteenth Special Session of the United Nations General Assembly, 2001.

40. **Outcome (iii) demand for reproductive health is strengthened** at the community and household level, through a change in cultural and social norms. Strengthening demand is a crucial factor in making reproductive health policies and programmes work for the poor and other disadvantaged groups, and encourages a rights-based approach that emphasizes empowerment and choice. The indicators for this outcome capture three key factors in strengthening demand. The first indicator, **proportion of women who have the final say in decisions about their own health care,** measures women's decision-making power within the household and reflects the importance of individual women's empowerment. The second indicator tracks the **existence of national and subnational mechanisms that advance civil society participation in planning and monitoring quality reproductive health services**, and recognizes the need to empower civil society, especially in poor communities, to participate fully in identifying reproductive health priorities through, for example, local health committees and district health boards. **The proportion of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS** is an UNGASS indicator that assesses progress in acquiring knowledge of the essential facts about HIV/AIDS transmission, a prerequisite for youth to make informed decisions.

C. Population and development

Goal: Countries address interaction between population dynamics, sustainable development and poverty, including the impact of HIV/AIDS

41. The second goal in the MYFF reflects an increased commitment to strengthening national capacity in countries to address interactions between population dynamics, sustainable development, and poverty, including the impact of HIV/AIDS. Although this is a lower level goal compared with the other two MYFF goals, it is the level which best reflects the nature of the Fund's involvement in the area of population and development. It reflects the results that UNFPA would expect to achieve from increasing national capacity to deal with population issues. Countries should be cognizant of how population size, structure, age and sex composition and distribution interact with sustainable development and should also be aware of other population dimensions, such as migration, urbanization, population ageing, HIV/AIDS and progress towards gender equality, and their linkages with poverty.

42. UNFPA will support countries in ensuring that development and poverty alleviation policies, plans and strategies address critical emerging issues such as HIV/AIDS, internal and international migration, and ageing. In many countries, HIV/AIDS is a major social and economic obstacle to national development efforts and is eroding the social and human capital and domestic savings. It therefore requires careful attention in poverty reduction efforts. Increasing internal and international migration, and urbanization have significant effects on sustainable development, as well as impacts on communities and households. Although ageing is a growing feature in many developing countries, its future implications still have to be fully assessed. All these issues must be addressed in comprehensive national strategies to reduce poverty.

43. The Fund has defined a more strategic role for its work in population and development. It will reinforce its support to building national technical capacities to support policy analysis and sustain a policy dialogue in population and development issues emphasizing the links with poverty reduction. In doing so, UNFPA will support global and national analysis of demographic trends and their socio-economic policy implications. To facilitate evidence-based policy dialogue UNFPA will support research on population-related issues and their implications for national poverty reduction strategies. It will also support cultural and behavioural research to provide better foundations for social policy formulation.

44. The MYFF 2004–2007 identifies the need to improve national capacity to collect, analyse, disseminate and use information and to develop or update national sex-disaggregated databases, which are crucial for sound, gender-sensitive policy formulation, programme planning, monitoring and evaluation.

45. Goal indicators. The MYFF **goal level indicators** capture interactions between population dynamics and social and economic development. **Life expectancy at birth by sex** is closely connected with health and inequality conditions of the population and reflects many social, economic and environment influences. The **proportion of population below $1 (PPP) per day** tracks progress in reducing the number of people living under extreme poverty across countries and regions. The **poverty headcount ratio** tracks the proportion of the population living below the national poverty line and will help monitor national poverty trends. The **age dependency ratio** measures broad trends in age composition and dependency burden.

Population and development outcomes and indicators

46. The two outcomes capture the areas where UNFPA expects to contribute to the population and development goal, in terms of the utilization of population-related data and integration of population issues into policy development.

47. **Outcome (iv) utilization of age- and sex-disaggregated population-related data is improved** addresses the need for accurate and timely age- and sex-disaggregated data on population for planning, monitoring and evaluating development policies and programmes, including those oriented to poverty reduction. UNFPA support is focused on building national capacities to collect, analyse and disseminate data and, more importantly, to use information for development and poverty eradication efforts, and for monitoring the implementation of the ICPD Programme of Action and the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). Availability of quality data at the local level is crucial to inform and empower local authorities, elected representatives, and civil society leaders to manage development planning responsibilities. At the central level, data are required for macro planning and for monitoring and evaluation of social and poverty alleviation policies, plans and interventions. Information technology and software will be used to analyse data at local levels, especially to pinpoint social interventions that will reach the poorest and most vulnerable. The **indicator** for this outcome will capture the extent to which **sex- and age-disaggregated data from national and subnational databases are used to monitor national development plans**.

48. **Outcome (v) national, subnational and sectoral policies, plans and strategies take into account population and development linkages**, reflects the Fund's support for the integration of population and development linkages in national, subnational and sectoral policies, plans and strategies. UNFPA will facilitate policy dialogue and provision of assistance to strengthen national capacity to frame policies, plans and strategies that integrate population dimensions, such as migration, urbanization and population ageing into poverty alleviation strategies. Assistance will also be provided to support the implementation, monitoring and evaluation of the policies adopted, focusing in particular on the population and development linkages included in the policies. The indicator for this outcome will track the success of countries making **population and poverty linkages explicit in national development policies and plans and poverty reduction strategies.**

D. Gender

Goal: Gender equality and empowerment of women are achieved

49. Eradicating poverty raises fundamental issues of equity and equality. Discrimination against women and girls is the most pervasive and persistent form of inequality. It is deeply rooted in social, cultural, economic and legal structures. Gender equality and women's empowerment are essential to achieving reproductive health and sustainable development, and are mainstreamed in the other two goal areas. UNFPA programmes also work towards these as an independent goal.

50. The MYFF goal of achieving gender equality and women's empowerment is now also an MDG, an important recognition that achieving this goal is a fundamental step in alleviating poverty and improving the quality of life for all. Global progress in this area is still extremely slow. Current efforts are scattered and inadequate, often do not address the root causes of inequity and inequality, and are sometimes lost in "mainstreaming" efforts, making results difficult to track.

51. Structural and cultural barriers to equality and empowerment must be addressed in the context of a rights-based approach to development, beginning with the creation of an enabling environment that promotes and enforces gender equality in laws, practices, policies and value systems, and improves women's capacities, opportunities, and decision-making power. Promoting equality in education and political decision-making, where women are still disadvantaged and underrepresented, are two crucial areas where UNFPA plays a key advocacy role.

52. Goal indicators. The gender goal has three indicators, all of which are MDG indicators. The **ratio of girls to boys in primary and secondary education** monitors the gender gaps in education. The second indicator, the **literacy rate among 15-24 year old females**, measures functional literacy among young females, a group where UNFPA support is most likely to have an impact. The **proportion of seats held by women in national parliament** is the sole indicator of women's political decision-making monitored globally and for which comparable data are readily available. UNFPA gives active support to raising gender, population and

reproductive health issues among parliamentarians, and strengthening the advocacy role of women parliamentarians. UNFPA country offices will also monitor women's participation in political decision-making at subnational levels.

Gender outcome and indicators

53. **Outcome (vi) institutional mechanisms and sociocultural practices promote and protect the rights of women and girls and advance gender equity** addresses gender issues through a rights-based approach and the creation of an enabling environment for gender equity and women's empowerment. These include equal rights to education and to political participation that should promote a positive movement in the goal level indicators. The outcome underlines the need to increase the capacity of social, political, cultural, religious, civil and legal institutions to address the complex set of normative structures, constitutions, laws, and policies, and sociocultural practices that militate against gender equity (the process of being fair to women and men that leads to equality). These institutions have a duty to promote and protect the rights of women and girls, and advance gender equity. At the same time, women and girls must assert their position as rights holders.

54. Two of the three outcome indicators monitor expected changes in the enabling environment. The first, **national and subnational mechanisms in place to monitor and reduce gender-based violence** addresses one of the most severe manifestations of gender inequity. A similar indicator in the first MYFF provided rich, qualitative information on country-led efforts to address violence and women's security, a dimension of poverty. The Beijing+5 target **discriminatory provisions against women and girls removed from national and subnational legislation**, tracks the elimination of legislative barriers to gender equity and women's empowerment. The third indicator, **civil society partnerships actively promoting gender equality, women's and girls' empowerment and reproductive rights** tracks the community participation and networking that is necessary to advance and sustain demands for equality and empowerment.

E. Strategies

55. In the context of the MYFF, strategies are defined as the ways in which UNFPA plans to use its human, financial and other resources to contribute to the achievement of development results. For the MYFF period 2004–2007, the Fund has identified four interactive programme strategies, which converge around developing the national capacity of programme countries to effectively deal with population-related issues. Based on recommendations of an internal evaluation, the Fund has adopted national capacity development as an overarching principle of its assistance, rather than as a separate strategy as in the first MYFF. All UNFPA efforts will seek to enhance the ability of individuals, organizations and systems within countries and regions to promote the implementation of the ICPD Programme of Action and achievement of the MDGs. The MYFF programme strategies are delineated below.

Building and using a knowledge base

56. UNFPA will continue to support government and civil society organizations in building and using the knowledge necessary to address specific challenges in reproductive health and rights, gender equality and population and development. The new development context requires that national and subnational planning build on a strong evidence base, and that programmes are carefully monitored and evaluated to ensure that they are achieving results and reaching the poor. Areas for special attention include: increasing knowledge of the interrelationships between poverty, gender, reproductive health and population dynamics, and such emerging areas as gender-based violence and obstetric fistula; consolidating knowledge from different sources in national and local databases; and ensuring more effective utilization of existing knowledge for planning, monitoring and evaluation. The Fund will develop the capacity of programme countries to surmount existing constraints in access to and utilization of age- and sex-disaggregated population and reproductive health-related data to monitor progress toward achieving national priorities, ICPD goals, CEDAW and the MDGs; and to provide data for PRSPs. Sex-disaggregated data provide a powerful tool for holding governments accountable for progress toward gender equality, reproductive health and rights.

57. The Fund will promote regional and national networks and mechanisms for the exchange of knowledge as a way of enhancing South-South collaboration. The 2004–2007 intercountry programme will make a valuable contribution to knowledge building at interregional, regional and national levels through support to data collection, including the development of qualitative research methodologies around priority issues. The intercountry programme will also be a key instrument in the identification, production and dissemination of replicable experiences and proven models that can advance the ICPD agenda. The Fund's CSTs build national and regional capacity, by gathering information on key conceptual or methodological advances, lessons learned and good practices that are relevant and applicable in national and subregional policy and programme development.

Advocacy and policy dialogue

58. Advocacy is a key strategy at global, regional and national levels to strengthen awareness and commitment to advancing the ICPD agenda. At the country level, UNFPA seeks to increase the capacity of all stakeholders to advocate for ICPD goals, within the context of a rights-based approach to development. To ensure the sustainability and effectiveness of national advocacy efforts, UNFPA will contribute to strengthening the networking and advocacy skills of civil society organizations, establishing a strong evidence base for advocacy, and encouraging systematic monitoring of the external environment to ensure that advocacy efforts are well positioned and focused to promote and protect women's and girls' rights and advance gender equity. Advocacy and behaviour change communication will build on sociocultural research and local knowledge to foster culturally sensitive dialogues at the household, community and societal levels that involve a broad-based coalition of stakeholders.

59. The focus on policy dialogue reflects the emphasis in the Fund's strategic direction on integrating the ICPD agenda more effectively into country-led development frameworks, such as

SWAps, PRSPs, health sector reforms and other national development plans and policies. UNFPA will foster an environment conducive to integrating reproductive health and rights, gender, population and poverty issues into broad-based public policies and programmes by supporting dialogue and discussion around scaling up innovative, replicable and evidence-based approaches. UNFPA will contribute to: enhancing policymakers' leadership capacity within new development frameworks; promoting strategic thinking; and strengthening gender-sensitive policy analysis, formulation and implementation. UNFPA will also strengthen the capacity of civil society, including religious and cultural groups, to successfully engage in policy dialogue with government and development partners. Field-based and intercountry programme activities will serve to sharpen practical knowledge and to provide concrete evidence of what works and what does not work. Documenting these interventions and their results will provide critical information to nourish the policy formulation and decision-making process.

Promoting, strengthening and coordinating partnerships

60. Promoting equitable and sustainable development within emerging national development frameworks and new global initiatives requires an integrated and synergistic effort among governments, civil society and development agencies, coupled with strong, coherent and sustained partnerships.

61. UNFPA will support countries in building these partnerships, establishing a strong consensus around the implementation of the ICPD Programme of Action within the broader context of poverty reduction, and mobilizing resources for equitable access to reproductive health and rights. The Fund will move away from isolated project support to contribute to defining common goals and outcomes within the context of SWAps, PRSPs, and health sector reform. The Fund will also provide support to countries in addressing the constraints to sustainable and effective partnerships, including insufficient coordination and communication, divergent priorities among interest groups, and inadequate involvement of civil society. The Fund will continue to strengthen working partnerships with and among civil society organizations, youth and women's groups, cultural and religious leaders, and the private sector, and support their participation in local and national planning.

62. UNFPA will work with its United Nations partners to explore joint programming opportunities in complementary programme areas, within the framework of the UNDAF and United Nations reform, especially the simplification and harmonization initiative. The Fund will also work to incorporate reproductive health dimensions in the Inter-Agency Consolidated Appeals Process, in order to adequately respond to humanitarian emergencies and crisis situations.

Developing systems for improving performance

63. Deteriorating health systems in many priority countries reduce access to reproductive health services. With the aim of improving the organizational and systems performance of national institutions and civil society organizations, at central and local levels, UNFPA will work to establish and/or strengthen systems for public programme implementation, particularly those

interventions designed to expand equitable access to high quality reproductive health services. UNFPA will work with other development partners to provide support for the human resources planning, training and performance assessment systems that are crucial to enhancing efficiency and accountability. UNFPA will support the strengthening of results-oriented management and decision-making systems; increased availability and use of service and other data for planning and management; reproductive health commodity planning, storage and distribution systems; and quality assurance systems and mechanisms. Together with other partners, the Fund will assist countries in strengthening decentralized management systems in the context of health sector reform, and in building the role of civil society in ensuring accountability for the quality and coverage of services. UNFPA will also work with national partners to plan for ultimate sustainability, financial and otherwise, of programmes and services, a crucial dimension of improved performance that can be compromised by long-term dependence on single donor funding. UNFPA will support countries to develop and institutionalize systems that will ensure the continuation and consolidation of interventions once the Fund's support has been phased out.

V. INTEGRATED RESOURCES FRAMEWORK

64. The ICPD Programme of Action estimated that $18.5 billion would be needed in the year 2005 to implement the costed components of programmes in reproductive health, including family planning, maternal health and prevention of STIs and HIV/AIDS, as well as basic data collection and analysis of population data. It was recognized that additional resources would be required to strengthen health systems, emergency obstetric care and HIV/AIDS treatment and care. The ICPD Programme of Action also estimated that up to two-thirds of the $18.5 billion would be met by the countries themselves, and the remaining one-third – $6.1 billion for the year 2005 – would come from external sources.

65. The World Bank estimates that between 20 to 25 billion dollars per year would be required to reach all the health-related MDGs, provided that the policy and institutional environments at country level are conducive to making additional health spending effective. These cost estimates underscore the importance of investing in the implementation of the ICPD Programme of Action, as the MDGs, particularly the eradication of extreme poverty, cannot be achieved if population and reproductive health issues are not addressed.

66. In 2001, the estimated international financial resource flows for population assistance totalled $2.5 billion, far below the agreed targets. The ICPD 10-year review shows that despite the fact that most countries reported increasing domestic resources for population and reproductive health, the lack of adequate financial resources is the most important constraint in achieving the ICPD goals. In keeping with a key element of its strategic direction, UNFPA will act as a catalyst for leveraging and guiding the use of larger resources of national governments and other development partners towards the implementation of the ICPD Programme of Action.

67. UNFPA income from regular resources reached its peak of $313 million in 1995 following the ICPD in Cairo in 1994. Regular resources income fell from 1996 to 1999, followed by small increases in 2000 and 2001, and a small decrease in 2002. The regular income for 2003 is estimated at $291 million or 12 per cent higher than the income in 2002. The MYFF

2000–2003 presented two funding level scenarios to the Executive Board. The Board took note of Scenario One, which estimated the total resource requirement for the period 2000–2003 to be $1.4 billion, of which $1.3 billion was from regular resources. As reported in the MYFF Cumulative Report 2000-2003 (DP/FPA/2003/4 (Part II)), UNFPA income from all resources is estimated to be $1.5 billion for the period 2000–2003. The income from regular resources is estimated at $1.1 billion, while income from other resources is estimated at $0.4 billion. The low level of income from regular resources compared to the planned level severely impacted UNFPA programming, especially at the country level, where prevention of HIV/AIDS and lifesaving emergency obstetric care interventions were delayed.

68. The Fund has adopted a realistic approach in estimating the required resources for the 2004–2007 MYFF period in order to ensure minimal interruptions in programme delivery. The total income for the period is estimated at $1,523 million, of which $1,203 million would be from regular resources and $320 million from other resources. The income projections for regular resources are lower than the projections in the MYFF 2000–2003, while the projections for other resources are higher, given the fact that the Fund has been able to attract other resources at a higher level in the first MYFF cycle. This income base for the period 2004-2005 was also used for the estimates for the biennial support budget for 2004–2005 (DP/FPA/2003/11), which was approved by the Executive Board in September 2003.

69. The resource requirements for the periods 2000–2003 and 2004–2007 are shown in table 1. The regular resources available for programmes for 2004–2007 amount to $841 million or $119 million less than in the MYFF for 2000–2003. A total of $640 million will be devoted to country programmes while the resources for the intercountry programme will complement the country programme resources by generating information, tools, strategies and approaches to strengthen country level activities.

Table 1. Resource Requirements for 2000–2003 and 2004–2007
(in millions of US dollars)

Distribution	MYFF 2000–2003[a]	MYFF 2004–2007
Regular Resources		
Country Programmes	723	640
Intercountry Programme	142	124
Technical Advisory Programme	95	76
Total Programme	960	841
Net Biennial Support Budget	262	318
Miscellaneous[b]	72	45
Total BSB & Miscellaneous	334	363
Total Regular Resources	1,294	1,203
Other resources		
Programme and Other	140	320
All resources	1,434	1,523

Note: Figures may not add up to the totals given due to rounding.
[a] See document DP/FPA/2000/6 Table 3.
[b] Includes administrative and operational services, the Enterprise Resource Planning system, and additions to the operational reserve.

70. UNFPA encourages all donors to demonstrate their commitment to the MDGs and ICPD by increasing their contributions to UNFPA and submitting pledges for a multi-year period in order to secure a stable funding base of regular resources. While UNFPA welcomes other resources in addition to regular resources, these funds are restricted and do not always fit closely with country and UNFPA priorities. It is therefore essential that contributions to UNFPA regular resources be increased to fully implement the ICPD Programme of Action.

71. UNFPA is undertaking resource mobilization efforts, both at national and international levels, to increase its funding and expand its funding base, and the Fund counts on the Executive Board to further increase its financial contributions. Should additional resources become available, they would be utilized to achieve the MYFF goals, especially in the areas of HIV/AIDS prevention, adolescent reproductive health and rights, increased access to reproductive health, gender mainstreaming and women's and girls' empowerment, and overall improvement in the quality of population-related data – all key issues emerging from the ICPD 10-year review.

VI. MANAGING FOR RESULTS

72. UNFPA made substantial progress during the first MYFF cycle towards strengthening results-based management, essential to achieving development results. Progress included:

- Instituting an organizational policy on results-based management
- Developing results-oriented planning, monitoring and evaluation tools and guidelines
- Institutionalizing results-based reporting
- Building capacity of staff and national partners to manage for results
- Strengthening data collection, analysis and use
- Building pilot knowledge networks and assets
- Strengthening accountability for results

73. In the second MYFF cycle, the Fund will further streamline and strengthen organizational structures and enhance internal processes for increased organizational effectiveness. Two major initiatives will help UNFPA move in this direction.

74. First, the strategic direction that came out of the transition gives a clear orientation for moving towards a more effective leadership role in supporting countries to implement the ICPD agenda and achieve MDGs. The transition put results-based management at centre stage and produced new results-oriented approaches in human resources, knowledge sharing, learning and training, and financial management which are now being institutionalized into the Fund's processes and systems.

75. Second, the Enterprise Resource Planning System (ERP) will integrate all of the Fund's processes and information into one web-based system, increasing accountability and efficiency. A broad set of organizational activities, such as financial accounting, human resources, payroll, procurement, and programme and project management, among others, will be supported by an integrated software system. This will help the Fund to improve financial management,

strengthen headquarters and field links, increase transparency and efficiency, and link results with resources.

76. Building on these new initiatives, UNFPA is preparing a medium-term Managing for Results Framework that focuses on key areas of the Fund's management functions and can be used by senior management to monitor progress in becoming a more effective, efficient and accountable organization. This framework will also serve as a medium-term reference for setting the Executive Director's annual organizational priorities and will guide the development of office management plans through which individual units can plan for and monitor their increased effectiveness. The Managing for Results Framework will complement the MYFF SRF, which sets out development results by focusing more specifically on key management improvements necessary to achieve these results. The Managing for Results Framework will include a set of indicators to allow UNFPA managers to track progress in these areas.

77. To further strengthen internal processes for increased organizational effectiveness, UNFPA will focus on five main areas of managing for results:

- UNFPA leadership role
- Results-based quality programming
- Excellence in human resources
- Knowledge sharing and learning
- Accountability systems

UNFPA leadership role

78. To fully demonstrate its leadership role in implementing ICPD, UNFPA must increase the organization's ability to build and sustain partnerships with national governments, development agencies, civil society organizations and the private sector, and to build alliances that marshal a broader base of resources for mainstreaming the ICPD Programme of Action into national development frameworks. UNFPA will build the capacity of CST and field staff to engage more effectively in SWAps and PRSPs. During the second MYFF period, the Fund plans to hold stakeholder consultations with partners in selected countries to monitor its effectiveness in assuming this role.

79. A critical aspect of the Fund's leadership role is its ability to mobilize financial resources, the main factor influencing the achievement of ICPD goals. UNFPA will make every effort to mobilize the donor community, national governments and the private sector to increase contributions for implementing ICPD. Progress in this area will be assessed by an increase in core resource mobilization to support the implementation of UNFPA programmes, and by a rise in other resources through multilateral/bilateral and government cost-sharing arrangements.

Results-based quality programming

80. The effective delivery of programmes at the country, regional and interregional level will continue to be a central concern of the Fund. Building on the progress made in mainstreaming a

results-based programming approach in the first MYFF period, UNFPA will enhance the capacity of its staff and counterparts to use the new programming tools and techniques developed under the United Nations Development Group (UNDG) simplification and harmonization process. While the MYFF 2000–2003 and the UNDAF have consolidated the trend to plan, monitor, evaluate and report on results-oriented programmes, there is still a need to strengthen strategic planning, monitoring and evaluation, and further build staff and national capacity to develop more robust performance management systems. Measures of performance in this area will include increased staff and partner capacity to plan strategically, to identify baselines and targets in a timely manner, to develop and implement adequate monitoring and evaluation systems, and to ensure that quality programme and project data on outcome and output indicators are available to evaluate and report on progress.

81. The Fund's CSTs will play a crucial and strategic role in building a more integrated system of technical and programmatic support, gathering and sharing knowledge and experience on lessons learned and best practices, providing strategic technical input at key stages of the programme cycle, and building country-level capacity. The Fund will continue to support national counterparts in their efforts to enhance strategic planning capacities and to use a results-based perspective in programme management.

Excellence in human resources

82. One of the management priorities resulting from the transition was the enhancement and reshaping of the Fund's human resources policy and practices. This will ensure that staff have the competencies necessary to implement the new strategic direction, for example, in terms of results orientation, commitment to excellence, and building strategic alliances and partnerships. The cornerstone of the new human resources strategy is a competency framework that sets standards by defining competencies required for staff at all levels to achieve the organization's goals. During the second MYFF period, the Fund will ensure that this competency framework effectively guides staff performance management and promotion, recruitment, rotation and human resource planning, as well as identifying competency gaps for staff development and learning, so as to have the right people in the right place at the right time.

83. As the competency framework is institutionalized and the performance appraisal and staff development mechanism is used, the level of competency of staff will increasingly match that expected by the organization. Two measures of progress would be ensuring that the competency-based recruitment system is in place, and that the proportion of the workforce rated proficient on corporate and functional competencies increases. These same measures of progress will help assess the country office typology implementation, which strengthens technical and managerial capacities by matching staff expertise and profiles against competencies required, recognizing the priority needs of those countries furthest from achieving ICPD goals.

Knowledge sharing and learning

84. UNFPA will actively promote increased access to knowledge for all staff. The establishment of knowledge networks and assets will help staff gain access to internal and

external expertise, and to obtain technical and substantive information on good programme practices, effective innovations, and emerging issues, to support more effective programme and operations functions. The Fund has given high priority to improving electronic connectivity at country level to ensure that all country offices can participate in knowledge sharing, and take advantage of new learning opportunities identified by the learning and training strategy that came out of the transition process. Country office and headquarters units will be encouraged to prepare and implement annual learning and training plans and to facilitate staff participation in distance learning activities.

85. The intercountry programme will expand the Fund's knowledge base by facilitating exchange of knowledge on strategies, tools and approaches to support country programmes. The intercountry programme will identify and provide evidence on replicable experiences and models to support the process of building and mobilizing partnerships at the national and regional levels.

86. The Development Gateway Population and Reproductive Health Portal will continue to be a central venue for staff and UNFPA stakeholders to access information and knowledge that can build technical capacity. The portal will be strengthened further and expanded in view of the positive feedback received from staff and development partners.

87. Performance in this area will be assessed by the existence of active and effective knowledge networks and assets that will facilitate UNFPA staff and stakeholder access to information to support their programme functions, and by the participation of staff in learning and training activities to enhance their technical and substantive knowledge.

Accountability systems

88. UNFPA will strengthen a system of accountability for achieving results that will involve all institutional levels. A coherent and transparent accountability system is especially important with the increased decentralization of authority to the field. UNFPA will adopt a 'cascade' approach that begins at the organizational level with the medium-term MYFF SRF and the Managing for Results Framework. Annual organizational priorities will be drawn up within the context of these frameworks. These priorities will contribute to the formulation of annual office management plans (OMPs) by all organizational units. OMPs will identify the contributions to unit and overall institutional priorities, and will permit each unit to gauge their performance through periodic reviews. Annual reports from all units will reflect programme and managerial results achieved, and feedback will be provided.

89. Individual work plans will be consistent with the OMP. The new performance appraisal and development (PAD) system will hold individual staff members accountable for results and the achievement of performance standards defined in the competency framework, based on feedback from multiple sources. By using the PAD to set results and then measure performance, staff will be able to identify ways to improve performance in those areas where there are notable constraints.

90. By January 2004, the ERP system will provide an integrated system to strengthen a simplify the management and coordination of financial, programme and human resources, a will increase accountability, efficiency and transparency in business processes. The ERP syst has the functionalities to link resources to results, and will support the monitoring of the MY 2004–2007. In subsequent waves, the ERP system will develop new functionalities, offering integrated results-based management system and increasing the ability of the organization have real-time dynamic reports, which will be accessible globally.

91. The implementation of the ERP system will be a major benchmark in establish accountability systems, as will the utilization of the OMPs and compliance with the PAD. UNFPA strengthens its systems of accountability for achieving results, periodic internal a external audit of UNFPA units will continue to indicate how satisfactorily the country offi have been managed, and audit recommendations will be systematically followed up.

VII. REPORTING ON RESULTS

92. During the first MYFF period, UNFPA invested in improving results-based report mechanisms, rationalizing and simplifying reporting and strengthening feedback mechanist Country office, CST and headquarters units are actively monitoring and reporting results, and Fund will continue to strengthen the capacity of country offices and national counterparts improve the quality of reporting. The information and data required for reporting on the MY will be derived from existing internal reporting, such as annual reports of country offices, a from CST and headquarter units.

93. The Fund will use standard international data sources for tracking the goal indicators a selected outcome indicators, as in the first MYFF, within the framework of goals and targ established in relevant international conferences and agreements (see annex B) with spec reference to gender differentials. At the outcome level, data indicators that correspond to MI and UNGASS indicators will draw on new databases for monitoring the MDGs at the coun level, which include the Country Response Information System (CRIS), currently be established by UNAIDS, and the inter-agency DevInfo database system. Reporting on indicat in new areas such as demand for reproductive health presents a challenge, as few up-to-date a comparable data are presently available. Continued investment in building national capacity collect sex-, age-, income-, rural/urban-disaggregated data, as well as the analysis and utilizat of such data, must be a priority for the Fund throughout the 2004–2007 MYFF cycle.

94. To ensure that reporting on the MYFF is able to provide significant evidence of progre and recognizing constraints on the timeliness of data, UNFPA proposes to provide a report at annual session of the Executive Board in 2005 covering the first year of implementation of MYFF and a cumulative report on the MYFF at the Board's annual session in 2007. T timeframe should allow the Fund to better demonstrate progress through changes in indica values.

95. The report will present progress in several areas: contributions to the goals and outcon identified in the SRF; status of financial implementation of the resources framework, includi

data on the utilization of resources by goals and outcomes to the extent possible using the new ERP system; and progress in the five areas of managing for results.

96. Information derived from the reviews and analysis of the implementation and lessons learned during the second MYFF cycle will be the basis for formulating the third MYFF covering the period 2008–2011. It is expected that the third MYFF will be submitted at the same Executive Board session as the biennial support budget for 2008–2009.

VIII. ELEMENTS FOR A DECISION

97. **The Executive Board may wish to:**

(a) Take note of this report;

(b) Endorse the MYFF, 2004–2007, as contained in this report, with the three results areas: reproductive health, population and development, and gender;

(c) Affirm that the MYFF is to serve as the Fund's main policy document, as well as a strategic resource and management tool;

(d) Welcome the MYFF as a key tool for directing the work of UNFPA in assisting countries towards the achievement of ICPD goals, ICPD+5 key actions, and the MDGs;

(e) Approve the integrated resources framework for 2004–2007, as contained in this report, and encourage all countries to assist UNFPA to reach a total figure of regular and other resources of $1,523 million for the period 2004–2007, including through multi-year pledges by countries that are in a position to do so;

(f) Request the Executive Director to present a progress report on the implementation of the MYFF, 2004–2007, every second year, starting at the annual session of the Executive Board in 2005, and a cumulative report on the MYFF at the annual session of the Executive Board in 2007.

Annex A 2004–2007 MYFF Strategic Results Framework: UNFPA Goals, Outcomes, Indicators and Strategies

POVERTY REDUCTION

GOALS	GOAL INDICATORS	OUTCOMES	OUTCOME INDICATORS
(1) All couples and individuals enjoy good reproductive health, including family planning and sexual health, throughout life	a) **Maternal mortality ratio** b) Adolescent fertility rate c) **HIV prevalence among 15-24 year old pregnant women** *[UNGASS]* d) **Under-five mortality rate** e) Unmet need for family planning	(i) Policy environment that promotes reproductive health and rights	a) Reproductive health and gender incorporated into: i) Poverty reduction strategies ii) Sector-wide approaches iii) Millennium Development Goals Reports b) National or subnational policies in place to increase the access of youth to quality reproductive health information and services c) National and subnational laws and policies in place to delay the age at marriage d) Proportion of health budget allocated to contraceptives
		(ii) Access to comprehensive reproductive health services is increased	a) Contraceptive prevalence rate b) **Proportion of births attended by skilled health personnel** c) **Condom use at last high-risk sex**[1] *[UNGASS]* d) Proportion of clients with sexually transmitted infections who are appropriately diagnosed, treated and counselled *[UNGASS]* e) Caesarean sections as a proportion of all births[2]
		(iii) Demand for reproductive health is strengthened	a) Proportion of women who have the final say in decisions about their own health care b) National and subnational mechanisms that advance civil society participation in planning and monitoring quality reproductive health services c) **Proportion of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS**[1] *[UNGASS]*
(2) Countries address interactions between population dynamics, sustainable development, and poverty, including the impact of HIV/AIDS	a) Life expectancy at birth, by sex b) **Proportion of population below $1 (PPP) per day** c) Poverty headcount ratio[3] d) Age dependency ratio[3]	(iv) Utilization of age- and sex-disaggregated population-related data is improved	a) Sex and age disaggregated data from national and subnational databases are used to monitor national development plans
		(v) National, subnational and sectoral policies, plans and strategies take into account population and development linkages	a) Population and poverty linkages explicit in national development policies and plans and poverty reduction strategies
(3) Gender equality and empowerment of women are achieved	a) **Ratio of girls to boys in primary and secondary education** b) **Literacy rate among 15-24 year old females** c) **Proportion of seats held by women in national parliament**	(vi) Institutional mechanisms and sociocultural practices promote and protect the rights of women and girls and advance gender equity	a) National and subnational mechanisms in place to monitor and reduce gender-based violence b) Discriminatory provisions against women and girls removed from national and sub national legislation *[Beijing + 5]* c) Civil society partnerships actively promoting gender equality, women and girls' empowerment and reproductive rights

STRATEGIES

Advocacy and Policy Dialogue – Building and Using a Knowledge Base – Promoting, Strengthening and Coordinating Partnerships – Developing Systems for Improving Performance

Indicators in bold are Millennium Development Goal (MDG) indicators

[1] Proportion of the sexually active population aged 15-24 reporting the use of a condom during last sexual intercourse with a non-regular partner in the last 12 months

[2] Serves as a proxy for access to Comprehensive Emergency Obstetric Care

[3] Poverty headcount ratio and age dependency ratio are currently undergoing the first round of testing as indicators for the UNFPA Strategic Framework

Annex B

MYFF 2004–2007 SRF goals and indicators and their links to targets and benchmarks of ICPD and ICPD+5, other international conferences, and the Millennium Development Goals

REPRODUCTIVE HEALTH GOAL AND INDICATORS

SRF RH goal	Related ICPD goals	Related MDGs
All couples and individuals enjoy good reproductive health, including family planning and sexual health, throughout life	• Universal access to reproductive health services, including family planning, by 2015 • Reduce maternal and child mortality • Reduce HIV/AIDS	• Improve maternal health (MDG 5) • Reduce child mortality (MDG 4) • Combat HIV/AIDS, malaria and other diseases (MDG 6)
SRF RH indicators	**Related benchmarks and targets of ICPD and ICPD+5, and other international conferences**	**Related MDG target**
Maternal mortality ratio	**ICPD**: Reduce maternal mortality by one half of the 1990 levels by the year 2000 and a further one half by 2015	**Target 6**: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio
Proportion of births attended by skilled health personnel	**ICPD+5**: By 2005, where the maternal mortality rate is very high, at least 40 % of all births should be assisted by skilled attendants; by 2010 this figure should be at least 50 % and by 2015, at least 60 %. By 2005, 80 % of all births should be assisted by skilled attendants, by 2010, 85 %, and by 2015, 90 %	
Unmet need for family planning	**ICPD+5**: Any gap between proportion of individuals using contraceptives and proportion expressing a desire to space or limit their families should be reduced by at least 50 % by 2005, 75 % by 2010 and 100 % by 2050	
HIV prevalence among 15-24 year old pregnant women	**ICPD+5, UNGASS**: Reduce HIV prevalence among young men and women aged 15 to 24 in the most affected countries by 25 % by 2005, and by 25 % globally by 2010	**Target 7**: Have halted by 2015 and begun to reverse the spread of HIV/AIDS
Proportion of the population aged 15-24 with comprehensive correct knowledge of HIV/AIDS	**UNGASS**: By 2005, 90% of people aged 15-24 should have comprehensive correct knowledge of HIV/AIDS, 95% by 2010 **ICPD+5**: By 2005, at least 90 %, and by 2010 at least 95 %, of men and women aged 15 to 24 should have access to the information, education and services necessary to reduce their vulnerability to HIV infection	
Under-five mortality rate	**ICPD**: Reduce by 2000 the under-five mortality rate by one third, or to 70 per 1,000 live births, whichever is less, and by 2015, everywhere to below 45 per 1,000	**Target 5**: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate

POPULATION AND DEVELOPMENT GOAL AND INDICATORS

SRF P&D goal		Related MDGs
Countries address interactions between population dynamics, sustainable development, and poverty, including the impact of HIV/AIDS		• Eradicate extreme poverty and hunger (MDG 1) • Ensure environmental sustainability (MDG 7)
SRF P&D indicators	**Related benchmarks and targets of ICPD and ICPD+5, and other international conferences**	**Related MDG target**
Proportion of population below $1 (PPP) per day		**Target 1**: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day **Target 9**: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources
Life expectancy at birth by sex	**ICPD**: By 2005, life expectancy at birth should be greater than 70 years, and by 2015 greater than 75 years. Where mortality levels are highest, life expectancy at birth should be greater than 65 years by 2005, and by 2015 greater than 70 years	

GENDER GOAL AND INDICATORS

SRF Gender goal	Related ICPD goals	Related MDGs
Gender equality and empowerment of women are achieved	• Gender equity, equality and empowerment of women • Universal education	• Promote gender equality and empower women (MDG 3) • Achieve universal primary education (MDG 2)
SRF Gender indicators	**Related benchmarks and targets of ICPD and ICPD+5, and other international conferences**	**Related MDG target**
Ratio of girls to boys in primary and secondary education	**ICPD**: Elimination of the gender gap in primary and secondary education by 2005, and complete access to primary school or the equivalent by both girls and boys as quickly as possible and in any case before 2015	**Target 4**: Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015
Literacy rate among 15-24 year old females	**ICPD+5, EFA, WSSD, FWCW**: Reduce the rate of illiteracy of women and men, at least halving it for women and girls by 2005, compared with the rate in 1990	
Proportion of seats held by women in national parliament	**FWCW**: 30 % share of seats for women in national parliaments (*Millennium Task Force on Education and Gender Equality* set target to be achieved by 2015)	
Discriminatory provisions against women and girls removed from national and subnational legislation	**Beijing+5**: Create and maintain a non-discriminatory and gender-sensitive legal environment by reviewing legislation with a view to removing discriminatory provisions, preferably by 2005	

International conferences: *EFA* - World Conference on Education for All, Jomtien, 1990; *FWCW*: Fourth World Conference on Women, Beijing, 1995; *Beijing+5* - United Nations General Assembly Special Session on Women, New York, 2000; *ICPD* - International Conference on Population and Development, Cairo, 1994; *ICPD+5* - United Nations General Assembly Special Session on the review and appraisal of the ICPD Programme of Action, New York, 1999; *WSSD* - World Summit for Social Development, Copenhagen, 1995; *UNGASS* - United Nations General Assembly Special Session on HIV/AIDS, New York, 2001